



3015 (02-09-04)

ANNUAL REPORT

OF

Name: DOUSMAN WATER UTILITY

Principal Office: P.O. BOX 264
DOUSMAN, WI 53118

For the Year Ended: DECEMBER 31, 2002

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I PENNY NISSEN of
(Person responsible for accounts)

_____, Dousman Water Utility, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

	03/24/2003
(Signature of person responsible for accounts)	(Date)

CLERK/ TREASURER _____
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: DOUSMAN WATER UTILITY**Utility Address:** P.O. BOX 264

DOUSMAN, WI 53118

When was utility organized? 11/30/1970**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: PENNY NISSEN**Title:** VILLAGE CLERK/TREASURER**Office Address:**

P.O. BOX 325

DOUSMAN, WI 53118

Telephone: (262) 965 - 3792**Fax Number:** (262) 965 - 4286**E-mail Address:** dousman@execpc.com

Individual or firm, if other than utility employee, preparing this report:

Name: HOWARD JEANSON**Title:** CPA**Office Address:** ROTROFF JEANSON & COMPANY, SC

W239 N1690 BUSSE ROAD

WAUKESHA, WI 53188

Telephone: (262) 523 - 4090**Fax Number:** (262) 523 - 4093**E-mail Address:** howard@rotroffjeanson.com

President, chairman, or head of utility commission/board or committee:

Name: BART ZILK**Title:** PRESIDENT**Office Address:**

P.O. BOX 325

DOUSMAN, WI 53118

Telephone: (262) 965 - 3792**Fax Number:** (262) 965 - 4286**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: HOWARD JEANSON**Title:** CPA**Office Address:** ROTROFF JEANSON & COMPANY, SC
W239 N1690 BUSSE ROAD
WAUKESHA, WI 53188**Telephone:** (262) 523 - 4090**Fax Number:** (262) 523 - 4093**E-mail Address:** howard@rotroffjeanson.com**Date of most recent audit report:** 2/26/2003**Period covered by most recent audit:** YEAR ENDED DECEMBER 31, 2002

Names and titles of utility management including manager or superintendent:

Name: JAMES HANSEN**Title:** SUPERINTENDENT**Office Address:**P.O. BOX 264
DOUSMAN, WI 53118**Telephone:** (262) 965 - 3302**Fax Number:** (262) 965 - 4286**E-mail Address:**

Name of utility commission/committee: DOUSMAN WATER UTILITY COMMITTEE

Names of members of utility commission/committee:

MR CHRIS HETTICH, TRUSTEE

MR JACK NISSEN, TRUSTEE

MR BART ZILK, PRESIDENT

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:**

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone: () -

Fax Number: () -

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	269,496	168,894	1
Operating Expenses:			
Operation and Maintenance Expense (401)	83,855	82,156	2
Depreciation Expense (403)	58,287	42,839	3
Amortization Expense (404)	10,605	10,605	4
Taxes (408)	54,389	33,025	5
Total Operating Expenses	207,136	168,625	
Net Operating Income	62,360	269	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	62,360	269	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	13,077	17,666	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	13,077	17,666	
Total Income	75,437	17,935	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	75,437	17,935	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	19,698	10,000	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	19,698	10,000	
Net Income	55,739	7,935	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	574,219	566,284	19
Balance Transferred from Income (433)	55,739	7,935	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	629,958	574,219	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
STATE INVESTMENT POOL INTEREST	4,198	4
SPECIAL ASSESSMENT INTEREST	8,121	5
CHECKING ACCOUNT INTEREST	758	6
Total (Acct. 419):	13,077	
Miscellaneous Nonoperating Income (421):		
NONE		7
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		8
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		9
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		10
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		11
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		12
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		13
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	269,496	0	0	0	269,496	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	269,496	0	0	0	269,496	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	3,129,430	3,123,966	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	466,500	407,454	2
Net Utility Plant	2,662,930	2,716,512	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	132,890	155,617	6
Special Funds (125)	60,813	52,343	7
Total Other Property and Investments	193,703	207,960	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	32,273	1,471	8
Temporary Cash Investments (132)	233,655	255,113	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	45,749	41,391	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	102,234	57,761	14
Materials and Supplies (150)	420	502	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	414,331	356,238	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	21,210	31,815	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	21,210	31,815	
Total Assets and Other Debits	3,292,174	3,312,525	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	441,229	441,229	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	629,958	574,219	23
Total Proprietary Capital	1,071,187	1,015,448	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	387,903	400,000	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	387,903	400,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,224	61,675	28
Payables to Municipality (233)	39,092	42,332	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	9,698	10,000	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	50,014	114,007	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	1,783,070	1,783,070	38
Total Liabilities and Other Credits	3,292,174	3,312,525	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	3,129,430	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	3,129,430	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	466,500	0	0	0	9
Total Accumulated Provision	466,500	0	0	0	
Net Utility Plant	2,662,930	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 110)

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	407,454				407,454	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	58,287				58,287	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,307				1,307	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	59,594	0	0	0	59,594	13
Debits during year						14
Book cost of plant retired	548				548	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	548	0	0	0	548	19
Balance End of Year	466,500	0	0	0	466,500	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
None	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	420	502	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	420	502	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
None	0	428	0	1
Total			0	
Unamortized premium on debt (251)				
None	0	429	0	2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	441,229	1
Changes during year (explain):		
NONE		2
Balance end of year	441,229	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
VILLAGE OF DOUSMAN SEWER UTILITY NOTE	07/01/2001	07/01/2021	5.00%	387,903	1
Total for Account 223				387,903	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	54,389	2
Charged electric department expense		3
Charged sewer department expense	385	4
Other (explain):		
NONE		5
Total Accruals and other credits	54,774	
Taxes paid during year:		
County, state and local taxes	52,540	6
Social Security taxes	2,028	7
PSC Remainder Assessment	206	8
Other (explain):		
NONE		9
Total payments and other debits	54,774	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
2001 LOAN FROM SEWER UTILITY	10,000	19,698	20,000	9,698	2
Subtotal	10,000	19,698	20,000	9,698	
Other long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	10,000	19,698	20,000	9,698	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	1,783,070	0	0	0	0	1,783,070	1
Add credits during year:							
For Services						0	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	1,783,070	0	0	0	0	1,783,070	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS RECEIVABLE	132,890	2
Total (Acct. 124):	132,890	
Special Funds (125):		
DEPRECIATION FUND	60,813	3
Total (Acct. 125):	60,813	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	45,749	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	45,749	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DELINQUENT WATER BILLINGS ON TAX ROLL	5,235	12
2002 PUBLIC FIRE PROTECTION	91,773	13
DUE FROM SEWER UTILITY FOR PRO-RATA SHARE OF METER COST	5,226	14
Total (Acct. 145):	102,234	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
UNAMORTIZED COST OF 2001 WATER TOWER REMOVAL - SEE NOTE ATTACHED	21,210	16
Total (Acct. 182):	21,210	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
NONE		17
Total (Acct. 183):	0	
Payables to Municipality (233):		
4TH QUARTER PAYROLL AND PAYROLL TAXES	10,052	18
2002 PROPERTY TAX EQUIVALENT	29,040	19
Total (Acct. 233):	39,092	
Other Deferred Credits (253):		
NONE		20
Total (Acct. 253):	0	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	3,126,698	0	0	0	3,126,698	1
Materials and Supplies	461	0	0	0	461	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	436,977	0	0	0	436,977	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	1,783,070	0	0	0	1,783,070	6
Other (specify):						
NONE					0	7
Average Net Rate Base	907,112	0	0	0	907,112	
Net Operating Income	62,360	0	0	0	62,360	8
Net Operating Income as a percent of						
Average Net Rate Base	6.87%	N/A	N/A	N/A	6.87%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	441,229	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	602,088	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	1,043,317	
Net Income		
Net Income	55,739	5
Percent Return on Proprietary Capital	5.34%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Balance Sheet (Page F-05)

Receivables from Municipality (145):

As a result of the rate increase that was approved by the Public Service Commission in 2001, public fire protection increased from \$52,822 in 2001 to \$91,773 in 2002. This was not paid to the Utility until 2003.

Accounts Payable (232):

Accounts payable at December 31, 2001 of \$61,675 included amounts of approximately \$54,000 related to the 2001 construction of the Utility's elevated tank.

Interest Accrued (Acct. 237) (Page F-16)

On July 1, 2001 the Utility borrowed \$400,000 from the Village's sewer utility for purposes of partially financing 2001 construction projects. Since the interest expense accrued for only six months in 2001, interest costs almost doubled from 2001 to 2002.

Balance Sheet End-of-Year Account Balances (Page F-18)

Account 182 - Cost of 2001 removal of water tower of \$42,920 is being amortized over four years (2001 - 2004) at \$10,605 per year - per PSC 2001 - Unamortized balance at 12/31/02 = two years @ \$10,605 = \$21,210

Identification and Ownership - Contacts (Page iv)

good filer

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	267,350	1
Total Sales of Water	267,350	
Other Operating Revenues		
Forfeited Discounts (470)	1,209	2
Other Water Revenues (474)	937	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	2,146	
Total Operating Revenues	269,496	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	53,042	5
General Operating Expenses (680-690)	30,813	6
Total Operation and Maintenance Expenses	83,855	
Other Operating Expenses		
Depreciation Expense (403)	58,287	7
Amortization Expense (404)	10,605	8
Taxes (408)	54,389	9
Total Other Operating Expenses	123,281	
Total Operating Expenses	207,136	
NET OPERATING INCOME	62,360	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	500	35,694	128,693	4
Commercial	61	16,168	39,615	5
Industrial	4	131	669	6
Total Metered Sales to General Customers (461)	565	51,993	168,977	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		91,773	8
Other Sales to Public Authorities (464)	11	2,161	6,600	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	577	54,154	267,350	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	91,773	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	91,773	
Forfeited Discounts (470):		
Customer late payment charges	1,209	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	1,209	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	937	7
Other (specify):		
NONE		8
Total Other Water Revenues (474)	937	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	28,989	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	12,230	3
Chemicals (630)	5,387	4
Supplies and Expenses (640)	2,538	5
Repairs of Water Plant (650)	3,172	6
Transportation Expenses (660)	726	7
Total Plant Operation and Maintenance Expenses	53,042	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	2,005	8
Office Supplies and Expenses (681)	4,560	9
Outside Services Employed (682)	14,719	10
Insurance Expense (684)	3,435	11
Employees Pensions and Benefits (686)	6,094	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	30,813	
Total Operation and Maintenance Expenses	83,855	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		52,540	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department	1/2 OF COST ALLOCATED TO SEWER	385	2
Net property tax equivalent		52,155	
Social Security	BASED UPON ACTUAL WAGES PAID	2,028	3
PSC Remainder Assessment		206	4
Other (specify): NONE			5
Total tax expense		54,389	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Waukesha				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.245310				3
County tax rate	mills		3.156711				4
Local tax rate	mills		7.249434				5
School tax rate	mills		12.703375				6
Voc. school tax rate	mills		1.729078				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		25.083908				10
Less: state credit	mills		1.222222				11
Net tax rate	mills		23.861686				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		7.249434				14
Combined School Tax Rate	mills		14.432453				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		21.681887				17
Total Tax Rate	mills		25.083908				18
Ratio of Local and School Tax to Total	dec.		0.864374				19
Total tax net of state credit	mills		23.861686				20
Net Local and School Tax Rate	mills		20.625430				21
Utility Plant, Jan. 1	\$	3,123,966	3,123,966				22
Materials & Supplies	\$	502	502				23
Subtotal	\$	3,124,468	3,124,468				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	3,124,468	3,124,468				26
Assessment Ratio	dec.		0.815293				27
Assessed Value	\$	2,547,357	2,547,357				28
Net Local & School Rate	mills		20.625430				29
Tax Equiv. Computed for Current Year	\$	52,540	52,540				30
Tax Equivalent per 1994 PSC Report	\$	22,934					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	52,540					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	116,576		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	116,576	0	
PUMPING PLANT			
Land and Land Rights (320)	675		12
Structures and Improvements (321)	90,543		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	54,337		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	31,013		20
Total Pumping Plant	176,568	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	13,950		23
Total Water Treatment Plant	13,950	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	700		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			116,576	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	116,576	
PUMPING PLANT				
Land and Land Rights (320)			675	12
Structures and Improvements (321)			90,543	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			54,337	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			31,013	20
Total Pumping Plant	0	0	176,568	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			13,950	23
Total Water Treatment Plant	0	0	13,950	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			700	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	493,499	1,851	26
Transmission and Distribution Mains (343)	1,669,736	135	27
Fire Mains (344)	0		28
Services (345)	353,803		29
Meters (346)	45,796	4,026	30
Hydrants (348)	243,341		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	2,806,875	6,012	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	1,718		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	2,500		37
Other General Equipment (379)	5,779		38
Other Tangible Property (390)	0		39
Total General Plant	9,997	0	
Total utility plant in service directly assignable	3,123,966	6,012	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	3,123,966	6,012	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Distribution Reservoirs and Standpipes (342)			495,350	26
Transmission and Distribution Mains (343)			1,669,871	27
Fire Mains (344)			0	28
Services (345)			353,803	29
Meters (346)	548		49,274	30
Hydrants (348)			243,341	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	548	0	2,812,339	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			1,718	35
Computer Equipment (372.1)			0	36
Transportation Equipment (373)			2,500	37
Other General Equipment (379)			5,779	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	9,997	
Total utility plant in service directly assignable	548	0	3,129,430	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	548	0	3,129,430	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			5,054	5,054	1
February			4,538	4,538	2
March			4,967	4,967	3
April			5,113	5,113	4
May			5,438	5,438	5
June			5,485	5,485	6
July			7,586	7,586	7
August			6,138	6,138	8
September			5,319	5,319	9
October			4,914	4,914	10
November			4,426	4,426	11
December			4,694	4,694	12
Total annual pumpage	0	0	63,672	63,672	
Less: Water sold				54,154	13
Volume pumped but not sold				9,518	14
Volume sold as a percent of volume pumped				85%	15
Volume used for water production, water quality and system maintenance				698	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				698	19
Volume pumped but unaccounted for				8,820	20
Percent of water lost				14%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				343	23
Date of maximum: 7/21/2002					24
Cause of maximum:					25
Due to the dry weather conditions both existing homeowners and residents of a newly developed Village subdivision were watering their lawns.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				76	26
Date of minimum: 1/10/2002					27
Total KWH used for pumping for the year				128,211	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
1971 WELL, 118 SOUTH MAIN ST.	1	1,140	12	432,000	Yes	1
1984 WELL, W359 S 1491 HWY 67	2	1,140	12	554,400	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Identification Number (b)	Intakes			Diameter in inches (e)
		Distance From Shore in feet (c)	Depth Below Surface in feet (d)		
NONE					

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	1	2	3	1
Location	1	1	2	2
Purpose	P	S	P	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE NW	LAYNE NW	BURG-WARNER	5
Year Installed	1996	1996	1984	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	300	250	385	8
Pump Motor or Standby Engine Mfr	G.E.	WAUKESHA MOTOR	GE	9
Year Installed	1971	1976	2001	10
Type	ELECTRIC	NATURAL GAS	ELECTRIC	11
Horsepower	50	50	60	12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1		1
RESERVOIRS, STANDPIPES			2
OR ELEVATED TANKS			3
Type: R (reservoir), S (standpipe)			4
or ET (elevated tank)	ET		5
Year constructed	2001		6
Primary material (earthen, steel,			7
concrete, other)	STEEL		8
Elevation difference in feet			9
(See Headnote 3.)	125		10
Total capacity in gallons (actual)	300,000		11
WATER TREATMENT PLANT			12
Disinfection, type of equipment			13
(gas, liquid, powder, other)	LIQUID		14
Points of application			15
(wellhouse, central facilities,			16
booster station, other)	WELLHOUSE		17
Filters, type (gravity, pressure,			18
other, none)	NONE		19
Rated capacity of filter plant			20
(m.g.d.) (note: 1,200,000 gal/day			21
= 1.2 m.g.d.)	0.5184		22
Is a corrosion control chemical			23
used (yes, no)?	Y		24
Is water fluoridated (yes, no)?	Y		25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	6.000	21,680	0	0	0	21,680
M	D	8.000	34,024	0	0	0	34,024
P	D	12.000	8,198	0	0	0	8,198
Total Within Municipality			63,902	0	0	0	63,902
Total Utility			63,902	0	0	0	63,902

1

2

3

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	1.000	583	0	0	0	583	89	1
M	1.500	1	0	0	0	1		2
M	2.000	32	0	0	0	32	9	3
M	3.000	1	0	0	0	1	1	4
M	6.000	9	0	0	0	9	2	5
Total Utility		626	0	0	0	626	101	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	558	60	7	0	611	61	1
0.750	7	0	0	0	7	1	2
1.000	19	0	0	0	19	1	3
1.500	5	0	0	0	5	0	4
2.000	6	0	0	0	6	0	5
3.000	5	0	0	0	5	0	6
6.000	2	0	0	0	2	2	7
Total:	602	60	7	0	655	65	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	510	43	4	5	0	49	611	1
0.750	1	4	0	0	0	2	7	2
1.000	12	4	0	1	0	2	19	3
1.500	0	4	0	1	0	0	5	4
2.000	0	3	0	2	0	1	6	5
3.000	0	3	0	2	0	0	5	6
6.000	0	0	0	0	2	0	2	7
Total:	523	61	4	11	2	54	655	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	137				137	2
Total Fire Hydrants	137	0	0	0	137	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year

Number of hydrants operated during year:	137
Number of distribution system valves end of year:	132
Number of distribution valves operated during year:	43

WATER OPERATING SECTION FOOTNOTES

Water Operating Revenues & Expenses (Page W-01)

Depreciation Expense (403):

Depreciation expense increased 36%, from \$42,839 in 2001 to \$58,287 in 2002. This is due to a full year of depreciation being taken on the Utility's 2001 plant asset additions of \$1,834,435 as compared to a half-year in 2001.

Water Operating Revenues - Sales of Water (Page W-02)

In 2001, the Utility applied to the Public Service Commission for an increase in water rates. The application was approved and the new rates became effective October 1, 2001. As a result of the new rates being in effect for all of 2002, as compared to three months for 2001, the Utility's "Metered Sales to General Customers" (Account 461) increased 54%, from \$109,542 to \$168,977. In addition, "Public Fire Protection Service" revenues increased 74%, from \$52,822 to \$91,773.

Water Operation & Maintenance Expenses (Page W-05)

Repairs of Water Plant (650):

There were no significant repairs to the Utility's water plant assets in 2002 resulting in a decrease in repair expenses of 39% from \$5,201 in 2001 to \$3,172 in 2002.

Outside Services Employed (682):

Outside service expenses increased by \$3,483, from \$11,236 in 2001 to \$14,719 in 2002. The reasons were twofold. Due to hiring of new office staff during 2002 additional accounting assistance was required. In addition, as result of the significant construction and increase in plant assets which occurred in 2001, costs of the Utility's audit increased.

Regulatory Commission Expenses (688):

During 2001 the Utility applied for and received approval from the Public Service Commission to increase water rates. Total costs of \$4,973 related to the preparation of that application by the Utility's accounting firm and Public Service Commission expenses associated with the application were incurred in 2001.

Property Tax Equivalent (Water) (Page W-07)

During 2001 the Utility constructed a new elevated tank and a looped water main system. In addition, a developer constructed and subsequently contributed to the Utility water assets within a newly developed Village subdivision. As a result, the Utility's taxable assets for computing the Property Tax Equivalent increased from \$1,773,512 in 2001 to \$3,124,468 in 2002 resulting in an increase in the Property Tax Equivalent from \$31,289 to \$52,540.

Water Utility Plant in Service (Page W-08)

Transmission and Distribution Mains 343 - The 2002 addition of \$135 was final costs on a 2001 project that were not recognized in 2001.

WATER OPERATING SECTION FOOTNOTES

Water Mains (Page W-15)

Watermains installed in new subdivisions are installed and paid for by the developer of the subdivision. Watermain extensions installed by the Utility are assessed to the benefiting property owners at the following amounts established by the Village Board but less than the actual cost of the watermain extension:

Residential Customers - \$30.60/front footage

Commercial Customers - \$43.93/front footage

Assessments are payable in full or in installments over ten years. Interest is charged on assessments paid in installments at a rate of 5.5%. Property owners are required to hook-up to the system within one year.

Water Services (Page W-16)

Extensions of new services constructed by the Utility are assessed against the benefiting property. Assessments are established by the Village Board based upon the size of the lateral and are included with the watermain extension assessments. Charges for service laterals installed independently of a watermain extension project are assessed against the benefiting property at the actual cost. The Utility contracts for the installation of such service laterals.

Subdivision developers are responsible, where the watermain extension has been approved by the Utility, for the water service lateral installation costs. There were no service laterals installed during 2002.

Hydrants and Distribution System Valves (Page W-18)

It is the intention of the Utility management to operate each system valve at least once each two years. During 2002 however, obstructions were discovered in several valve boxes, which were scheduled to be operated in 2002. These will be cleaned out in 2003 and the Utility superintendent anticipates that, at a minimum, 50% of all valves will be operated in 2003.
